

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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Action by Directors

Following are the principal actions taken by the Board of Directors in the form of motions, votes, and resolutions in the course of the meeting held in Washington on November 19 and 20. Additional background and particulars covering the actions listed below may be found elsewhere in this issue.

Moved that the Association recommend continuance of rationing and price controls on sugar. (page 394)

Went on record as opposing exports of sugar beyond a minimum quota, while the industry is in short supply, for food conservation. (page 394)

Moved that the Nominating Committee give consideration to consulting the meat canning industry with reference to their having a member on the Board. (page 395)

Enabled the Building Committee, in its negotiations for the purchase of a suitable site for a new Washington headquarters for the Association, to exchange, as part of such transaction, the present building and equipment. (page 395)

Moved that the Association urge on Congress continuation of the farm labor program carried on during the past two years. (page 395)

Moved adoption of recommended changes in the By-Laws. (pages 395 and 401)

Voted to accept the report of the Foreign Trade Committee as an interim report. (pages 395 and 401)

Approved employment of an assistant to the Director of the Raw Products Bureau, to be stationed on the West Coast. (page 396)

Directors Consider Plans for Future Association Activities

The closing sessions of the two-day meeting of the Board of Directors at Washington, November 19 and 20, were given over to a presentation and discussion of an outline of future Association activities by Secretary Campbell. On the premise that war and emergency work largely occupied the time of the staff during recent years and that a resumption of pre-war activities should not be taken up at this time without a re-examination of such activity in the light of today's and tomorrow's need, Mr. Campbell stated that whenever an activity is undertaken by the Association it should be watched by the Directors and the staff to see that its objective is carried out, and that it be not needlessly continued beyond the time of its usefulness. Such re-appraisal also makes it possible to ascertain whether changes in the given activity should be made and of what they should consist.

The Directors, after discussion and following reports by committee chairmen and staff members, generally approved the Secretary's recommendations for a further expansion of the Association's Public Relations and Consumer Education programs; for programs in the field of Raw Products Research directed towards the prevention of loss of quality between harvesting and canning; for economic research studies by the Division of Statistics; and for expansion of a number of the activities of the Research Laboratories, among them nutrition, sanitation, field service, and development of minimum standards. Details of the suggested new and expanded N.C.A. programs are presented in Mr. Campbell's outline, reproduced on page 396.

Preceding the two-day session of the Directors, were meetings of the Raw Products Committee, in Chicago; the Foreign Trade Committee in Washington; a conference of a special committee named to consult with USDA officials on the Department's inspection, grading and labeling program; and a meeting of the Administrative Council. (See *Directors Consider Plans*, page 394.)

Indiana and Pennsylvania Cannery Hear N.C.A. Officials

President Fred A. Stare and Secretary Carlos E. Campbell addressed the Annual Fall Meeting of the Indiana Cannery Association, November 21, at Indianapolis. President Stare, on the following day, addressed the second session of the 32nd Annual Convention of the Pennsylvania Cannery Association at York. A summary of all three addresses may be found on pages 403-4.

DIRECTORS CONSIDER PLANS (Continued from page 393)

It had been planned to have E. A. Meyer, Assistant Director of the USDA Production and Marketing Administration, address the Directors on the Research and Marketing Act of 1946, but out-of-town engagements prevented Mr. Meyer's appearance on any of the Directors' sessions. He made this address, however, at the luncheon of the Administrative Council, on Monday, and copies were distributed to the Directors at their session the next day. Mr. Meyer's article is reproduced in full on pages 397 to 399.

Members of the Council heard reports by the Committees on Raw Products, Research Laboratories, Foreign Trade, Building, and Finance and a presentation of Future Governmental Trends by the chairman of the Legislative Committee and Association's Counsel. Also, Secretary Campbell outlined his program for Future Association Activities. Details on most of these items are covered in reports presented to the Board and reproduced elsewhere in these pages. The account of the Directors' sessions follows.

Tuesday Morning Session

Sugar Situation

Secretary Campbell reported that the Association has been represented at a number of meetings of industrial users of sugar and has been working with this group in an effort to determine what the prospects are for sugar next year and what would happen if the controls on sugar were lifted. He said that it was the consensus of opinion of most industrial sugar users that sugar supplies will only be about 80 percent of the 1947 requirements and that if the controls are taken off of sugar at this time, the result would be a rapid rise in the cost of sugar and considerable hoarding by certain sugar users. Another result of removal of rationing would be the placement of the canning industry in a position of competition with other industries for its share of available sugar supplies.

The Directors, upon a motion of O. E. Snider, seconded by E. C. Christensen, after a full discussion of the sugar situation, voted to request the Government to continue the controls of sugar pricing and rationing.

Following the vote to continue these controls on sugar, Harold Patterson moved that the Board of Directors go on record as being opposed to the export of any quantity of sugar beyond the minimum quota to foreign coun-

tries as long as sugar is in short supply for the conservation of food. Mr. Clevenger seconded the motion and it was carried.

Report of the Committee on Containers

Oliver Willits, chairman of the Committee on Containers, reported that the Civilian Production Administration plans to release all the controls on the quantity of tin containers used and on the type of products for which they could be used probably around January 1, but that it intends to keep the controls on can sizes and the weight of tinplate for about 60 or 90 days longer. These plans may not be carried out if the coal strike goes into effect, Mr. Willits said.

If there is no strike, he stated that can manufacturers have reported that they will be able to begin the manufacture around the middle of February of the sizes which are not now being produced.

Mr. Willits reported that through the influence of CPA Administrator John Small, the Committee had been able to keep the exports of tinplate at a bare minimum, and that only 55,000 tons of tinplate have been allocated for export during the first quarter of next year. This allocation, he said, would be governed entirely by the outcome of the coal strike.

Other Reports Delivered

Two other reports were delivered at the Tuesday morning session. These were the report by E. B. Coagrove on a conference with the USDA officials who have charge of inspection, grading and labeling programs, and the report by Chairman W. A. Free of the 1947 Convention Committee, and these will be found on page 400.

Tuesday Afternoon Session

Future Governmental Trends

Early in the Tuesday afternoon session, Walter L. Graefe, Chairman of the N.C.A. Legislative Committee, and H. Thomas Austern, Association Counsel, were called upon to discuss "Future Governmental Trends."

Mr. Graefe stated that the recent election returns indicated that a majority of the people desire a change and pointed to the new alignment of committee chairmanships in Congress that result from the party changes brought about by the November 5 vote. It was Mr. Graefe's belief that the new Congress will bring about changes in tax and labor legislation. He believes that opposition to the closed shop will be manifested and asserted

and "the time will come, probably this winter, when you will be called upon to express yourself with regard to the reshaping of the Wagner Act." Despite the changed complexion of the Congress, Mr. Graefe stated his belief that the Southern Democrats will still wield the balance of power in case of a Presidential veto.

On the same subject, Mr. Austern pointed out that the outstanding characteristic of our governmental system is its arrangement of checks and balances through the constitutional division of powers among Congress, Courts, and Executive. The Executive Branch, he said, includes those administrative agencies which are the product of the last 60 years, beginning with the Interstate Commerce Commission. Long before the war, he said, the outstanding characteristic of the Federal Government was its growth, size, the complexity of these Federal Administrative agencies. The war did not diminish this trend, he stated. On the contrary, at the moment there are 2,450,000 civilians on the Federal payrolls, of whom 95 percent are covered by Civil Service. It has been reported that about one million of these may be off the Federal payrolls by the next fiscal year.

The speaker quoted Walter Lippmann's recent observation that even when both the Executive and the Legislative Branch change hands it takes two full years for the governmental machinery as a whole to lose its momentum and change its direction to any significant degree.

This rate of change, he said, varies with each of the three branches. In the case of the Federal Courts, for instance, changes in judicial development and direction are very slow. The late President Roosevelt found this out, and attempted to correct it through his famous "Court packing" effort. According to a recent analysis, Mr. Austern stated, 92 percent of the Federal judges now sitting were appointed by Mr. Roosevelt, and the recent election is not likely to change the complexion of the Courts, he feels.

Congress, on the other hand, he stated, reflects immediate changes, and most importantly the control of Congressional committee changes. The recent Congressional Reorganization Bill governing consolidation of committees affects this situation even further, he stated. For instance, Senate Committees reduce from 33 to 15, and House Committees from 48 to 19.

The abolition of war agencies curtails executive powers, he pointed out. Many of these are controlled by Con-

gress because of the New Deal type of statute which places a time limit on the effective period of many statutes setting up war agencies. Thus, life of many of the administrative agencies is now controlled by Congress.

The power of the purse resides in Congress, also, Mr. Austern stated, inasmuch as failure to appropriate means reduction in administrative powers.

The new Congress, therefore, has a dominant role, and for that reason its following characteristics should be considered:

(1) It has a large salting of veterans, and they know canned foods by recent experience.

(2) The geographical distribution of power on the committees is of great significance. The chairman and the committee majorities are no longer predominantly Southern Democratic. The following analysis which is a composite of many newspaper forecasts, was made in terms of the new geographical complexion of the committees:

HOUSE OF REPRESENTATIVES

| Committee | Congressman | State |
|---|-------------|------------|
| Rules..... | Allen | Illinois |
| Ways and Means.... | Knutsen | Minnesota |
| Appropriations..... | Taber | New York |
| Labor..... | Hartley | New Jersey |
| or | | |
| | Welch | California |
| Committee on Government (New committee under reorganization for Government funds and operations)..... | | |
| Agriculture..... | Hoffman | Michigan |
| | Hope | Kansas |

THE SENATE

| | | |
|--|----------|---------------|
| Agriculture..... | Aiken | Vermont |
| or | | |
| | Capper | Kansas |
| Appropriations..... | Bridges | New Hampshire |
| Banking & Currency..... | Tobey | New Hampshire |
| Expenditures in Executive departments..... | Ferguson | Michigan |
| Interstate Commerce..... | Reed | Kansas |
| or | | |
| | White | Maine |
| or | | |
| | Ball | Minnesota |
| or | | |
| | Aiken | Vermont |

Board Apportionment

Chairman W. F. Dietrich, of the Board Apportionment Committee, referred to the report of his Committee, delivered at the May Board Meeting, when it was approved that adequate representation on the Board requires that each State or region shall have at least one representative for each 7,500,000 cases of member production of seasonal products; that any State or region producing 100,000 cases or more of member production

not subject to financial control from outside the State or region is entitled to a director, and that in determining the number of representatives of each major branch of the canned sea food industry, the production figures be considered separately and be subject to the same area and production limitations that apply to all other commodities.

Mr. Dietrich stated that the application of these criteria would result in opportunity being given certain States and areas for new or additional representation on the Board. He discussed also the desirability of devising a method for nominating and electing new directors in those States where the terms of all directors expire at the same time which would permit State nominating committees to nominate directors for a 1- or 2-year term, instead of the usual 3-year term. Nominating directors for these short terms would meet the situation which arises in some States of having the terms of all directors expire at one time. Provision for this change in the terms of directors might be embodied in the By-Laws of the Association.

It was moved and seconded that the Nominating Committee give consideration to consulting the meat packing industry with reference to a member on the Board of Directors to represent that industry.

Agricultural Labor

Earl Goelzer of the Manpower Committee reported on the possibilities next year of a shortage of agricultural labor, resulting from the expiration on June 30 of Public Law 229, which covers the program of procuring migrant and imported foreign agricultural labor. This law was due to expire this December, but was extended, through additional Congressional appropriation, to June 30. Mr. Goelzer pointed out the need for development of a Government program that would ensure continuation of this manpower relief throughout 1947 and urged Association action in support of efforts to have Public Law 229 continued by means of additional Congressional appropriation. A motion, expressing the Association's approval, was passed, urging that the Legislative Committee give the matter its consideration.

At the conclusion of Mr. Goelzer's report C. Verne Freeman, employment specialist, rural industries and migratory labor, U. S. Employment Service, spoke about the work of the Service in moving in-plant labor from one State to another at packing peaks.

N.C.A. Building Program

Sherwin Haxton, Chairman of the Building Committee, reported recent activities of that group. He said that a negotiation involving a trade of present N.C.A. property for a new site had nearly been consummated, but that had failed because of the Committee's lack of authority to trade. Such authority accordingly was granted through a resolution unanimously passed by the Directors. Mr. Haxton described a site in Washington for which it is the Committee's intention to make an offer.

Wednesday Morning Session

Subcommittee on By-Laws

On the motion of Dr. T. O. Goeres, which was seconded by H. D. Landes, the Board moved to adopt a report of the Special Subcommittee on By-Laws presented by its chairman, Harry C. MacConaughy. The Board's action was by unanimous vote with more than a majority of the whole Board being present. (Full text of the report of the special committee on by-laws appears on page 401.)

Mr. Austern, in summing up Mr. MacConaughy's report, said that the Board's action would enable changes to be made in the Association's by-laws to eliminate what was formerly recognized as a Convention member, permit any employee of any member firm to be eligible for election as Director of the N.C.A., broaden the power of the Board of Directors to authorize the Board to appoint members to any vacancy where a member of the Board is disqualified for some reason, and tighten up the language used in regard to the N.C.A. legend.

Foreign Trade Committee

Following a report by Chairman Stanley Powell of the Foreign Trade Committee, full text of which may be found on page 401, Mr. Powell stressed the importance of the various foreign trade developments which ultimately would affect the whole canning industry. He pointed out that whether or not a canner engaged in export sales he certainly should be interested in the forthcoming reciprocal trade agreements since these agreements may have considerable effect on the entire canning industry.

After a brief discussion of the present activities and objectives of the Foreign Trade Division, the Board, upon the motion of Mr. MacConaughy, seconded by Mr. Eddington, voted to accept the report of the Foreign Trade Committee as an interim report.

Raw Products Committee

Herbert J. Barnes, Chairman of the Raw Products Committee, reported on the meeting of that Committee which was held last Sunday in Chicago. Mr. Barnes said that the Raw Products Committee, after a discussion of the future needs and activities of the Raw Products Bureau, made two recommendations: (1) That the Raw Products Bureau revive the raw products bulletins which were formerly published before the war, and (2) that a suitable technical

assistant be appointed to assist Dr. C. H. Mahoney and to be stationed somewhere out on or near the West Coast.

The Board, on the motion of Mr. Landes of Utah, seconded by B. F. Counter of Colorado, voted to authorize the appointment of a technical assistant for the Raw Products Bureau, effective the first of January. The Board took no action, however, on the recommendation of the Raw Products Committee that the raw products bulletin be revived.

OUTLINE OF FUTURE ASSOCIATION ACTIVITIES

By Secretary Carlos Campbell

All the activities of the Association must be watched constantly to see that they are accomplishing the purpose for which they were originally designed. From time to time a thorough review of the work the Association is doing should be made to determine whether or not these activities should be expanded or contracted and also if new activities should be undertaken.

Now is a most appropriate time to take stock and adjust the Association's programs of work because we have just emerged from a long period of war activities during which the Association's work has been pretty largely of an emergency character. We are now on the threshold of a new era. Problems of the Association for the next few years may be different in many respects from the problems of the last four or five years. The activities of the NCA during the next few years should, as they have in the past, be related directly to the problems that arise within the industry. If, however, the Association waits until those become critical it may be too late to plan programs of work and for the Association to make any effective contribution to their solution. It is, therefore, necessary to anticipate at this time the problems that are likely to become most acute, within the next few years, and to develop activities to meet those problems.

The canning industry today is geared to a production 50% to 60% above that of pre-war but the demand for canned foods is likewise substantially above that of pre-war. No one can predict with any high degree of accuracy how long the present level of demand will continue. The consensus, however, both within and outside the industry, is that a readjustment in demand will necessarily take place. That situation affords the possibility for a maladjustment of demand to supply with corresponding disastrous economic consequences for the industry. The Association has no control over supply but should be

able to make some contribution toward maintaining and increasing demand.

The Association has for some years been engaged in such activities, and recommendations for the next few years, therefore, for the most part, consist of expansion or revival of old activities. There are, however, some new activities that may be worthy of careful study.

The following are presented for consideration:

1. Further expansion of the Association's Public Relations and Consumer Education programs. The staff has prepared specific programs of work in this field for 1947. Some of these programs have already been submitted to the appropriate committees for consideration. Others will be submitted in the near future.

(a) The year 1947 represents the 40th Anniversary of the Association. This seems an appropriate time to lay out plans for the continuing emphasis throughout the year on the contributions that the Association has made toward the improvement in the quality of canned foods through its scientific research work, etc.

(b) Through the Association's Public Relations Council programs have been developed for a coordination of all the Association's activities directed toward the maintenance and increasing use of canned foods. This involves the work of the Home Economics Division with more emphasis being placed on contacts with consumer groups. It also involves the work of the Labeling Division and the Division of Information, as well as specialists in the preparation of magazine articles, stories, etc.

2. Research work should be undertaken in the raw products field directed toward the prevention of loss of quality between harvesting and canning.

(a) Objective tests of maturity and quality of raw products in relation to the canned product are basic to this work.

(b) Methods of holding quality during the interval between harvesting and processing should be studied and evaluated.

(c) Consideration of labor-saving harvesting machinery from the standpoint of quality control should be included.

(d) Expansion of work done on plant pathology and disease control should be considered.

3. Economic Research: The Association has engaged in economic research from time to time and has also sponsored research in this field through the employment of experts to undertake specific studies. This seems an appropriate time to revive some of those studies and to expand others. The staff is preparing specific programs for consideration as follows:

(a) An economic research study in the field of distribution involving merchandising, consumer education and government regulations affecting distribution.

The outline of this study has been completed but since some of the work as outlined may not be appropriate for the Association to undertake, it may be necessary to consider the overall problem in the light of that portion which can be performed by the Association as well as that part which should be undertaken by outside agencies. It might be well to consider at this point the fact that the U. S. Department of Agriculture is developing plans for an expansion of its marketing research facilities and this may afford an opportunity for the canning industry to obtain some research on the distribution of canned foods.

(b) A revival of some of the activities of the NCA Division of Statistics that seem to be in order under this program, particularly analyses of various statistical information compiled in a form readily usable by the individual canner in the development of his production and marketing program. The studies of rainfall and temperatures as factors on yields of canning crops likewise should be revived in connection with proposed work by the Association's Raw Products Bureau on factors affecting quality of the raw product.

(c) To revive the canner-grower programs, purpose of which was to establish a better understanding of the marketing of raw products through canning.

4. The activities of the Research Laboratories that should be expanded are:

(a) Nutrition studies, results of which will afford the basic information for expanding programs in consumer education.

(b) Sanitation programs which carry forward the high standards the industry has striven for.

(c) Expansion of the field service work of the Laboratory. The traveling laboratory is a very effective

means of bringing the research laboratory to the canner's factory. It serves a useful purpose in assisting the canner in his processing problems and also is a means of promoting better industry relations between the Association and its members.

(d) Continued cooperation with Food and Drug Administration on the development of minimum standards for canned foods.

(e) Cooperation with the Department of Agriculture on a labeling program.

A DISCUSSION OF THE RESEARCH & MARKETING ACT OF 1946

By E. A. Meyer, Assistant PMA
Director, at Administrative
Council Sessions

Very few people nowadays ask the question, "Shall we have scientific research?" Proof is overwhelming that our standard of living, our health, even our survival in this atomic age, are closely linked with continued research. If there is any question at all about research, it is this: "How much research shall we have?"

Congress answered the question, "Shall we have agricultural research?" back in 1862 when it authorized the establishment of the U. S. Department of Agriculture. In the original act, Congress said, "It shall be the duty of the Commissioner of Agriculture to acquire . . . all information concerning agriculture which he can obtain by means of books and correspondence, and by practical and scientific experiments . . . and make special reports on particular subjects. . . ."

I don't know how much information has been obtained from books and correspondence. But I do know that it would take all day to cover the accomplishments achieved by Department, State Experiment Station, and other agricultural workers using scientific methods since 1862—with funds that appear ridiculously small in 1946. There were the identification of the tick that causes Texas fever in cattle; the rescue of California's muskmelon industry with mildew-resistant varieties; the discovery of streptomycin, which is more effective in the treatment of some diseases than penicillin or the sulfa drugs; the development of uniform standards for farm products; the application of scientific sampling techniques to problems of crop estimating. I could mention many others.

Just this year Congress wrote a new answer to the question, "How much agricultural research shall we have?" In the Research and Marketing Act of 1946, Congress provides for the development of new uses for agricultural products, the expansion of present uses, and the improvement of market facilities and services. The act authorizes appropriations starting at 9½ million dollars and reaching 61 million dollars in 1951. In brief, it is one of the most important pieces of agricultural legislation in recent

years. It almost amounts to organic legislation in the breadth of activities it provides for and the size of the funds it authorizes.

Because this new legislation is so significant, I am going to take time today to review some of its provisions.

Title I of the act amends the Bankhead-Jones Act of 1935 to authorize additional appropriations for research both in the Department and in the State agricultural experiment stations. Title II, which can be cited separately as the Agricultural Marketing Act of 1946, brings together a long list of activities in the field of marketing research and service that the Secretary of Agriculture is authorized and directed to carry on—and authorizes substantial appropriations for that purpose. Title III requires the establishment of a National Advisory Committee in connection with the research and marketing service work and authorizes the appointment of additional committees in connection with particular phases of the program.

Title I

Title I declares it to be the policy of Congress "to promote the efficient production and utilization of products of the soil as essential to the health and welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity." It likewise states the intention to assure agriculture "a position in research equal to that of industry." It then authorizes such research "into the laws and principles underlying the basic problems of agriculture in its broadest aspects," and lists at some length the fields of research that are included. They cover both production and distribution, utilization and nutrition, conservation and use of resources, farm management and operation, and in general, research "that may contribute to the establishment and maintenance of a permanent and effective agricultural industry including such investigations as have for their purpose the development and improvement of the rural home and rural life, and the maximum contribution by agriculture to the welfare of the consumer, and the maintenance of maximum employment and national prosperity."

Appropriations: Section 9, of Title I, is a graduated authorization for ad-

ditional funds for use in the State agricultural experiment stations. The amounts authorized start with 2½ million dollars in 1947 and increase to 20 million dollars in 1951. Three percent of such appropriations is reserved for use of the Office of Experiment Stations. From the remaining 97 percent, no less than 72 percent is to be granted directly to the States, including the Territories and Puerto Rico,—20 percent on an equal basis; and not less than 52 percent, half in proportion to their farm populations and half in proportion to their rural populations. These allotments to States must be matched with funds that the States themselves provide for their experiment stations. The remainder of the funds (not over 25 percent) is set aside as a regional research fund to be allotted for cooperative projects involving two or more States working together on problems of common interest. A committee of nine persons is provided for representing the State experiment stations to recommend the projects to be carried on under this fund. In addition to their recommendation, such projects must have the approval of the Secretary of Agriculture. A special restriction is imposed in Section 11 on all these funds for the experiment stations. At least 20 percent of the authorized funds must be used for conducting marketing research projects approved by the Department of Agriculture.

A second authorization for appropriations under Title I, in Section 10 (a) is for research on utilization of agricultural products. It likewise is a graduated authorization starting with 3 million dollars in 1947 and reaching 15 million dollars in 1951. These funds are for research to be conducted by the Department but authorization is included for contracting specific projects with public or private organizations or individuals where this will permit the work to be done "more effectively, more rapidly, or at less cost." Such projects can only be supplemental to the work in the Department and must be coordinated with it. Contracts can be made to run for as long as four years and funds that are obligated under contract can be carried over for as long as five years.

A third appropriation under Title I, in Section 10 (b), is for research in the Department and in fields other than utilization. The amounts here authorized start at 1½ million dollars in 1947 and increase to 6 million dollars in 1950. Research under this appropriation must be in cooperation with the State agricultural experiment stations or with agencies "mutually agreeable to the Department of Agriculture and the Experiment Stations concerned." So this

authorization is in a sense the counterpart of that in Section 9 providing funds for experiment stations and especially for regional research for the experiment stations. It provides the Department the funds for carrying on its share in cooperative research programs that the States are unable to undertake with Section 9 funds or funds otherwise available to the experiment stations.

Title II

Title II—the Agricultural Marketing Act of 1946—was originally introduced as a separate bill. It starts out with a preamble declaring the importance of a "sound, efficient, and privately operated system for distributing and marketing agricultural products." It declares the policy of Congress to promote "a scientific approach to the problems of marketing, transportation, and distribution of agricultural products similar to the scientific methods which have been utilized so successfully during the past 84 years in connection with the production of agricultural products." In other words, Title I expresses the intention to give agriculture a place in research comparable to that of industry; Title II is intended to enable research in marketing to catch up with research in production.

Section 203 spells out what the Secretary of Agriculture is authorized to do. This authorization includes the development of standards and specifications and the conduct of an inspection service for agricultural products. It includes market news work and marketing statistics, "including adequate outlook information on a marketing-area basis." It likewise provides for "consumer education for the more effective utilization and greater consumption of agricultural products." Considerable emphasis is placed on research on marketing methods and costs and on the improvement of marketing facilities throughout the marketing system in order to encourage better and more efficient handling of agricultural products. Emphasis is placed on the development of new and expanded uses and outlets for agricultural products, both at home and abroad. One of the items provides for "studies for informational programs designed to eliminate artificial barriers to the free movement of agricultural products." Provision is made for "such other research and services" and "such other activities as will facilitate the marketing, distributing, processing, and utilization of agricultural products through commercial channels."

Another section (207) makes clear that "agricultural products" include processed and manufactured products made from agricultural commodities as well as the raw farm products themselves. Fish and shellfish are in-

cluded as well as different types of crop, livestock, and forest products.

You will note that most of these marketing activities provided for in the act already are carried on to greater or less degree in the Department. The significance of their enumeration in this act is that it brings them all together under a single clear-cut authorization, and that it makes clear the intention that they should apply to all stages of marketing, from producer to consumer, including processing and the distribution of processed products.

In the past our chief emphasis with most commodities has been only in the first stages of marketing, from farm to shipping point or processing plant. Some products, like fresh fruits and vegetables, we have followed through to the receiving point; and in the case of others, like dairy products, we have concerned ourselves to some extent with processed products—though these are the exceptions rather than the rule. The new act is clearly a recognition that farm products have not really been marketed until they reach the ultimate consumer.

Appropriations: To conduct marketing research and service on this broadened scale, Title II authorizes graduated appropriations starting at 2½ million dollars in 1947 and reaching 20 million dollars in 1951. It expressly provides that such appropriation "shall be in addition to and not in substitution for" other available funds. The act authorizes three different ways for spending these funds: (1) They may be sent directly by agencies of the Department; (2) they may be allotted to State agencies for carrying on projects under cooperative agreement; (3) they may be spent through contracting such work with public or private agencies, institutions, firms, or individuals.

The preamble of Title II requires that "maximum use shall be made of existing research facilities owned or controlled by the Federal Government or State agricultural experiment stations and of the facilities of the Federal and State extension service." It also requires that "to the maximum extent practicable marketing research work done hereunder in cooperation with the States shall be done in cooperation with the State agricultural experiment stations," educational and demonstrational work with the State extension services, and service and regulatory work with the State departments of agriculture and the departments and bureaus of markets.

However, Section 204 (b) requires that where allotments are made to State agencies they shall be "to the agency or agencies best equipped and qualified to conduct the specific project to be undertaken." Allotments to State agencies under Title II must not only be matched by State funds, but in addition, such matching of funds

must "be in addition to any funds now available to such agencies for marketing services and for marketing research." While some problems of interpretation may arise in connection with this provision, it seems to me to be in line with the spirit of the whole act in its intention to provide new funds for new undertakings.

The Secretary is authorized (Section 205) to enter into contracts and agreements with both State and private agencies for marketing research and service work and related activities where this will permit work to be carried out "more effectively, more rapidly, or at less cost." As in the case of utilization research, such contracts may be for periods as long as 4 years, and funds obligated for such contracts can be carried over for as long as 5 years. In addition to the specific provision for contracting work, Section 205 authorizes the Secretary to "cooperate with other branches of the Government, State agencies, private research organizations, purchasing and consuming organizations, boards of trade, chambers of commerce, other associations of business or trade organizations, transportation and storage agencies and organizations, or other persons or corporations engaged in the production, transportation, storing, processing, marketing, and distribution of agricultural products whether operating in one or more jurisdictions."

Title III

Title III requires the establishment of a National Advisory Committee "to consult with the Secretary of Agriculture and other appropriate officials of the Department of Agriculture, to make recommendations relative to research and service work authorized by this act, and to assist in obtaining the cooperation of producers, farm organizations, industry groups, and Federal and State agencies in the furtherance of such research and service programs." This Committee is to consist of 11, "6 of whom shall be representatives of producers or their organizations."

It is clearly the intent of Congress that this committee, instead of being mere window dressing, shall really work. The committee is required to meet at least once each quarter and the members are not permitted to appoint alternates to serve in their stead.

Title III also authorizes the establishment of additional committees "including representatives of producers, industry, Government, and science" to advise and assist in particular projects and phases of the work undertaken under the act.

Plans and Progress

This summarizes the main provision of the new Research and Marketing Act.

Well, Congress passed the act. You might ask at this point: "What is the Department of Agriculture doing about it?"

Frankly, the Department has been moving steadily and very carefully in getting work under way. In my opinion, the Department must move carefully during this extremely important formative period. Don't forget that the research program covers almost every agricultural product from the farm to the dining table. Don't forget that it affects every major Department of Agriculture agency. Don't forget that it affects State agencies and private organizations and institutions.

You must also bear in mind that, although this act authorizes funds, no money actually has been appropriated. It is hardly possible that any money will be forthcoming until next spring, at the earliest. You know, from experience with your own budgets, what that means. Projects cannot be definitely committed. Needed personnel cannot be hired. Therefore, most decisions must be tentative.

One important step was taken recently, however, when the Department announced the appointment of the 11-man National Advisory Committee as provided for in the act. Membership of this committee is as follows: Howard E. Babcock, New York State farmer and Chairman of the Board of Trustees, Cornell University; Fred Bailey, legislative counsel for the National Grange; Robert R. Coker, vice president of a large South Carolina seed company; John H. Davis, executive secretary of the National Council of Farmer Cooperatives; Charles F. Kettering, general manager of the Research Laboratory Division, General Motors Corporation; C. W. Kitchen, executive vice president of the United Fresh Fruit and Vegetable Association; Albert K. Mitchell, New Mexico rancher and student of livestock marketing problems; James G. Patton, president of the National Farmers Union; Walter L. Randolph, president of the Alabama Farm Bureau Federation; H. J. Reed, dean and director of the Purdue University School of Agriculture; and Kerr Scott, State Commissioner of Agriculture, North Carolina.

As you recognize, this is an excellent committee. Each member is an outstanding individual in his particular field. As Secretary of Agriculture Clinton P. Anderson has said, "In accepting appointment to the National Advisory Committee, these men have volunteered their broad experience and abilities to serve the public good. Congress, farmers, and all others concerned with the administration of this act can be gratified that we shall have their counsel in planning a full-scale attack with scientific weapons on the problems of production, marketing, transportation, and distribution of agricultural products."

I am going to emphasize one point in connection with this committee. The members were chosen to represent agriculture as a whole and the general public interest, rather than particular branches of agriculture or segments of our national economy. It would be extremely difficult, if not impossible, to appoint an 11-man committee that would be representative of all the many groups keenly interested in agricultural research. That is why the act provides for the establishment of committees for specific commodity groups.

Thus, lack of representation on the National Advisory Committee will not bar cooperation. In the words of the act, "The functions of such advisory committee shall be to consult with the Secretary of Agriculture and other appropriate officials of the Department of Agriculture, to make recommendations relative to research and service work authorized by this act, and to assist in obtaining the cooperation of producers, farm organizations, industry groups, and Federal and State agencies in the furtherance of such research and service programs." I know that individuals and groups will be called upon widely to assist with special problems.

If I interpret the act correctly, it provides for more than mere "cooperation" by interested groups. Section 302 says, "In the furtherance of the research and service work authorized by the act, the Secretary of Agriculture may, in addition to the National Advisory Committee, establish appropriate committees, including representatives of producers, industry, Government, and science, to assist in effectuating specific research and service programs." This means that interested groups can have real representation through these special committees.

The new committee is scheduled to meet in Washington, D. C., the first week of December. I am sure, following the December meeting, that progress under the research program will move forward more rapidly.

Right at the top of the "must" work to be handled in the near future is the matter of developing administrative machinery for handling the program. Thinking on this point, at the present time, has not crystallized. The objective, of course, is to provide a basis for the efficient administration of work coming under the Research and Marketing Act as well as other responsibilities that have been entrusted to the Department of Agriculture.

The selection of competent personnel to deal with the various phases of the research program also is extremely important. The Marketing and Research Act is very broad in scope. Consequently, it is important that people at the policy making level have an outlook that is broad. Finding people who can see the whole

forest—and not just the trees—will be difficult. But there are such people and a determined effort will be made to attach them to the staff.

One thing that must be guarded against in the formative stages of the research program is overexpansion. At first glance, \$9½ million dollars seems like a lot of money. But it shrinks amazingly fast when specific commitments are stacked up against those funds. I am aware that many groups have had "pet projects" gathering dust for years. These groups naturally are anxious to get the ball rolling. I have a firm conviction, however, that the first research job should be research in the research projects themselves.

This will require careful analysis of the research and service needs in every major "problem area." It will require a survey of the research and service facilities that are available—Federal, State, and private—and of the work that already is being done. Only after that ground work has been completely laid can any decision be made as to specific projects to be undertaken. It sounds like a slow approach, I know, but I think it constitutes an efficient approach.

To rush into this program with unsound administrative machinery, incompetent personnel, and a hodgepodge of projects—just because there is "Government money" to spend—would be disastrous. So I can't over-emphasize the importance of proceeding cautiously, systematically. That, in a manner of speaking, is the scientific method. If we get this program started off on a sound basis, the chances are we will achieve the worthy aims embodied in the Research and Marketing Act.

This act is broad enough to permit participation by all groups concerned with food production and marketing. That participation will be needed—and needed badly—once the research projects are launched. It is too early to point out specific ways in which your organization will be brought into the program. But I am confident that some of your members will serve on committees established to handle special phases of the work. I know, in this and other capacities, that your complete cooperation will be forthcoming.

Final Subsidy Date Near

Canners have until midnight November 30, 1946, to file claims for subsidy payments for subsidized canned and frozen vegetables. No applications for payment will be accepted after this date, the U. S. Department of Agriculture has informed the Association.

REPORT OF INFORMAL CONFERENCE OF N.C.A. SPECIAL COMMITTEE WITH USDA STANDARDIZATION OFFICIALS

By E. B. Cosgrove

Yesterday afternoon several members of the Administrative Council met, informally, with Messrs. M. W. Baker, F. L. Southerland and Leonard S. Fenn, of the USDA Fruit and Vegetable Branch, to consider the possibility of closer industry cooperation through the N.C.A. in the future standardization and inspection activities of the Processed Food Inspection and Standardization Division.

Last May, Mr. Baker, who is Assistant Director of the Department of Agriculture's Fruit and Vegetable Branch, and under whose supervision the Department's standardization work is conducted, made the following public statement to the Board of Directors of the N.C.A.:

"I do want to say that the Fruit and Vegetable Branch is not interested in promoting through propaganda or otherwise, any specific type of labeling. We are interested in doing those things which are advantageous, both to the consumer and to your industry, as I said, insofar as what you put on that label, as long as it is true to fact, we feel that our position as an inspection service should be to determine the grade, determine it fairly, and not to enter into arguments for or against whatever you may as an industry wish to put on your labels. We are not in favor of taking any steps which can be considered as interference in your business."

Since Mr. Baker made this statement last May, he has expressed to a number of canners the desire of his Branch for practical advice from the industry, through the N.C.A., in improving the U. S. grade standards.

On last October 4th, Mr. Baker wrote to Mr. Campbell, as Secretary of the N.C.A., as follows:

"Our discussions with various industry groups in connection with planning marketing programs during the past few years have been very constructive. Consequently, we believe that the counsel and advice of your industry would be of great assistance to us in planning our future standardization and inspection activities."

Mr. Campbell replied to that invitation as follows:

"Without speaking for the 'industry' it seems to me that your talk at our Board Meeting last May, and which was reported in our INFORMATION LETTER of May 26th, 1946, paved the way for such a meeting as you suggest."

At the special meeting yesterday, which came about as a result of Mr. Baker's request, he specifically proposed the exchange of technical data between the N.C.A. Laboratory and the Department, as well as conferences

between the Standardization Division and the N.C.A. Staff and canner members in connection with the review of present standards for canned fruit and vegetables, or in the development of new ones.

It was the consensus of the canners present that exchange of information between the N.C.A. Laboratory and Mr. Southerland and his staff, would be advantageous, and that, within practical limits, cooperation between the N.C.A. staff, and its members in an advisory capacity, would also be desirable.

It was mentioned at the meeting that the Food and Drug Administra-

tion, in preparation for the corn standards hearing, may call upon the Inspection Division of the USDA for its opinion as to the proper dividing line between Standard and Sub-Standard. The canners present felt it would be desirable for the corn canners and the FDA to confer before the hearings and be in substantial agreement on this point. The USDA officials expressed their willingness to cooperate along such lines if called upon by the FDA for an opinion.

The canner group which met with the USDA officers is not making any formal recommendation to the Board of Directors but believes it well to report this informal meeting to the Board for its information and discussion.

REPORT OF THE 1947 CONVENTION COMMITTEE

By W. A. Free

President Stare appointed a Convention Committee this year because it was felt that the 40th Anniversary Convention of the Association deserves some special treatment and planning.

The Committee met at Association headquarters on September 24 with the President and Secretary of the Canning Machinery & Supplies Association in attendance, and discussed methods of making a proper observance of the 40th Anniversary in a manner that would best benefit the Association and the industry.

It was decided that a Souvenir Booklet should be prepared for distribution at the Convention, to consist of material that would do more than merely commemorate the event, but, by taking advantage of the publicity value of the occasion, would assemble data for public consumption that would disseminate the values and benefits of canned foods, accentuate the scientific basis of their preparation and thus promote their increased consumption of the products of this industry.

The booklet was planned in three parts:

(1) History of the 40 years of N.C.A.

(2) Statement of the present functions and services of N.C.A.

(3) Popular presentation by a professional magazine writer that would take the public "backstage," tell the story of the research in raw products and food technology that go into canned foods production, the advances in mechanization, in container improvement, the preservation of nutritive values, and all the factors that substantiate and account for the goodness of present day canned foods.

Part I to be distributed at the Convention.

Part II to be reprinted for canner distribution.

Part III to be excerpted for press releases, to be reprinted for schools, colleges, clubwomen, publications—all forms of publicity and consumer education. This section is particularly to serve as ammunition for expanded work in the field of public relations authorized at the last Convention.

The Committee also voted to stage a testimonial dinner in honor of Mr. Gorrell on January 21 in the banquet hall of the Auditorium at Atlantic City. This dinner to be self-supporting by ticket sales, restricted to 2,000; to be made available to the whole canning trade through simultaneous announcement in the publications of the machinery, brokers, and distributors associations. Appropriate speakers will be selected; all living N.C.A. presidents to be guests of honor.

Members of the staff have been at work on the preparation of the booklet since that time, and Parts I and II have been completed, manuscript copies have been sent to the Committee and the text has been approved.

Part III is still in preparation, the writing has been commissioned to Miss Maxine Davis, well-known feature writer who has contributed to *Saturday Evening Post*, *Good Housekeeping*, *Reader's Digest*, *Cosmopolitan*. Members of the staff have been assisting Miss Davis in her research work for the article.

Preparation of booklet material has suggested the following modification of the first plan:

(1) To combine the history of N.C.A. with a written testimonial to Mr. Gorrell in a single souvenir booklet for distribution at the Testimonial Dinner. This copy is ready, J. E. Fitzgerald having written the text of the Gorrell tribute. The manuscript has been turned over to an advertiser

ing agency, which is drawing up a proposed format.

(2) To bring out as a separate pamphlet the new statement of Association services; this to take the place of "Your Association at Work," to be distributed at Atlantic City and for continued use in membership work.

(3) To make Miss Davis' contribution the basis for an expansion of the

Association's Public Relations program. Rather than making a single release of this material, it is planned to utilize it throughout the year in various forms, all directed to public education on the benefits and advantages of canned foods. Members of the staff are contacting publishers and editors in preparation for utilization of this material.

terms rather than for the full three year term. Although there is some reason to believe that this power is implied in the section as drafted, the Committee recommends that the fifth sentence of this section be modified to read:

"Insofar as practicable it shall be arranged that the term of one-third of the Board of Directors shall expire annually; and accordingly the necessary number of Directors may at any time be nominated and elected for one or two year terms to achieve this result."

The subcommittee is hopeful that within a three-year period the appropriate staggering of terms of Directors can be obtained so as to secure not only a one-third annual turnover but a comparable turnover within each regional or commodity group. The subcommittee believes that the principle of a one-year interval need not be strictly applied where a Director is elected for less than a full three year term. Accordingly, it recommends that the last sentence of this section be modified to read:

"No Director elected for a full three-year term shall be qualified for reelection until the expiration of one year from the termination of a previous term; etc."

The effect of this would be to permit the immediate reelection of any Director whose original election was for less than the three-year term.

That Section 2 of Article V be amended so that the first clause provides that the Board may elect a successor to any Director.

"In the event of a vacancy in the Board of Directors for any cause, including resignation . . . etc."

REPORT OF THE SPECIAL SUBCOMMITTEE ON BY-LAWS

By Harry E. MacConaughy

At the last meeting of the Board, during the course of the discussions of the proposed changes in the by-laws, several questions were raised which it was determined to refer to a special subcommittee. This committee consists of Harry E. MacConaughy, W. F. Dietrich, H. J. Humphrey, Ralph Polk, and E. N. Richmond. A meeting of the committee was held on November 19 in Washington. The committee had the advantage of Mr. Polk's views on one or two questions but only Messrs. MacConaughy, Humphrey and Dietrich found it possible to attend. The committee also had the advantage of a careful memorandum forwarded to it by Mr. Henry White.

The special subcommittee recommends to the Board that the proposed amendments offered and discussed at the May meeting be adopted with the following additional changes:

That the proviso in Article IV, Section 1(a), in which it is provided that a member of the Association may use the legend indicating that it is a member but may not misuse it, be modified to read:

"Provided that the legend shall be so printed as in no way to give the consumer an impression that it is a representation of quality or that the quality of the product is endorsed by the Association."

That Section 1 of Article V be modified to provide in the third sentence thereof that membership on the Board may include "individuals who are Active Members of the Association in good standing, and partners, officers or employees of partnerships, associations, or corporations that are active members of the Association in good standing . . ." The effect of this is to qualify employees who happen not to be officers of corporations or associations which are members of the Association.

The committee by a divided vote of two to one concluded to recommend the retention of the rule that no Director shall be qualified for reelection until the expiration of one year from the termination of a previous term. The majority of the committee believes that where in a particular region or in a particular commodity

group an individual was deemed peculiarly capable of expressing its views, it would always be open for the elected Director to send such individual to any Board meeting as his representative; and pursuant to the usual procedure such individual could be temporarily elected as a Director at such meeting and speak for such region or group. Mr. MacConaughy dissented from the recommendation that this rule of a one year interval be retained on the ground that he felt that continuity of membership of Directors would very often serve the best interest of the Association or any particular group of members.

That this same Section 1 of Article V be further amended to permit adjustment of the termination dates of directorships representing various areas or commodities. Investigation has revealed that in particular instances three Directors from a particular State have their terms expiring simultaneously. It is believed that this can best be remedied by having the Nominating Committee arrange for the staggering of the expiration dates and to nominate particular Directors for one or two year

REPORT OF THE FOREIGN TRADE COMMITTEE

By Stanley Powell

Members of your Foreign Trade Committee met at the N.C.A. offices on November 17. There were present Stanley Powell, Chairman of the Committee; Emil Rutz, George W. Foster, Frank A. Estes, A. O. Verbeke, and S. C. Walls. Fred A. Stare, president of the Association, Carlos Campbell, Secretary; Thomas Austern, counsel, and Robert Paulus, a member of the Administrative Council also were present, with Allen Walker, N.C.A. executive director of the Foreign Trade Division.

At the chairman's request, Mr. Walker submitted to the committee a report outlining the operations of the International Trade Division since early April, 1946, when the department was inaugurated. The report described the primary subjects of current attention, along with matters suggested for the Committee's immediate attention and action.

During the discussion which followed, due emphasis was laid upon the references in the report to the vital importance of forthcoming International Trade Agreements, in preparation for which, it was pointed out, all divisions of the canning industry will require to consider seriously and promptly the possibility of lowered tariff duties on imported foods. (Food items involved are contained in last week's INFORMATION LETTER.)

Your committee recognizes the fact that ALL members of the N.C.A. are concerned with potential surpluses in certain major packs in the years directly ahead of us. If, added to these possibilities which cannot safely be ignored, the new International Trade Agreements should bring about such tariff adjustments as tend to encourage the advent of competitive merchandise from other countries, it seems obvious that N.C.A., in behalf of ALL its members, cannot fail to exercise the keenest vigilance both in

supplying prompt and factual information as to current developments and in helping territorial trade associations and commodity committees prepare their defenses against undue encroachments.

The morning session of your committee on last Sunday was devoted to discussion of the Foreign Trade situation, and to the consideration of subjects for policy determination.

In the afternoon, the committee's morning discussions were reviewed by the chairman, who requested expressions of opinion from all members of the committee as to the program which might be followed most effectively and serviceably.

Recommendations to Directors

It was subsequently agreed to recommend to the Board of Directors:

That the International Trade Division of N.C.A., assuming that its operations are to be continued, should engage in the following specific activities in the order of their importance, although it was pointed out by the chairman that since it was impossible to predict all the problems that might arise from day to day, the division could not limit its activities exclusively to specified action:

(A) The division should concentrate upon forthcoming International Trade Agreements as its No. 1 undertaking:

(B) Procurement of factual data for N.C.A. membership regarding international trade, imports and exports, raw products for canning and the finished products:

Concerning the collation and appropriate determination of such data, the following information was deemed to be of primary importance:

1. Detailed information as to the specific import duties maintained by importing countries at the present time:

2. Statistics as to pre-war exports and imports between the United States and principal foreign countries involved:

3. Listing of the processing industries in leading foreign countries whose products are deemed to be competitive with those exported by N.C.A. members; also of products from foreign countries indicated as coming into domestic markets in the U.S.A. calculated to compete with N.C.A. members' output.

Your committee considers the activities above-outlined as being essential in order that our entire N.C.A. membership shall be enabled to prepare an adequate defense of their respective interests in the forthcoming negotiations for tariff adjustments which are likely to develop under the projected new reciprocal trade agreements now on the State Department's agenda.

It was agreed that the International Trade Division should act in a strictly advisory capacity to all N.C.A. members, plus the furnishing of information above outlined.

It was agreed that N.C.A. should not undertake the preparation of briefs relating to projected International Trade Agreements, but that the International Trade Division should hold itself available to advise in matters of strategy, methods of preparation of such briefs, collation of data and in the matter of arranging helpful conferences between the representatives of groups of canners and appropriate government officials, should the development of circumstances make such conferences advisable.

It was further agreed that in regard to all matters relating to International Trade, the N.C.A. should take action only as and when it was deemed to be in conformity with established policies laid down by the Association.

Concerning operations of the International Trade Division from here on, it is unanimously recommended by your committee that the Association continue to engage in foreign trade activities to the extent of collecting and disseminating to the membership all pertinent information relating to both import and export trade, and that it also digest and report to the membership the development of policies and current thinking of government officials and other recognized authorities in Washington, insofar as they relate to international trade.

Duties of the Staff

The Association staff, through its international trade service, is to keep the membership currently advised regarding the development of reciprocal trade agreements, and such other actions as may be contemplated by the Government that will affect the canning industry. The Association staff will not undertake to advise any member regarding action to be taken by individual canners, but will hold itself in readiness to assist in the preparation of briefs, etc., that individual canners or groups of canners may choose to present to any appropriate government agency.

It is well understood that the foreign trade activities of the Association never include actual selling operations, and never usurp the functions of individual processors or industrial groups engaged in international trade.

It is not necessary to request any appropriation of funds at this time from the Administrative Council, and the entire situation will be reviewed at the January meeting as to a suggested set-up of the future operations of your Foreign Trade Division, with recommendations which will seem pertinent for 1947 action.

Report on National Foreign Trade Council Meeting

At the 33rd annual convention of the National Foreign Trade Council in New York last week at the Waldorf-Astoria Hotel, a number of distinguished leaders in international trade enunciated their concept of what America's modern foreign economic policy should be.

Discussions in open forum, addresses by government specialists and selected industrialists, plus a final declaration on proposed economic policy, all combined to reveal that international traders generally are caught between two fires. They strenuously oppose the continuation of national and international controls, and yet wonder how they are going to off-set the controls exercised by foreign governments who possess a managed-economy except by the employment of reciprocal controls by the U. S. Government!

It was made clear that the U. S. Government has dedicated itself to the effectuation of proposals contained in the draft charter for the new International Trade Organization, which include the promotion of national and international trade by expansion of production, by the increased exchange and consumption of goods, by the reduction of trade barriers and by eliminating all forms of discriminatory treatment in international commerce.

The State Department was urged to cooperate with American business in eliminating international trade restrictions, and to consider setting up a new administrative agency with authority to grant exemption from our anti-trust laws with respect to the conduct of American business overseas.

The convention's final declaration summarized the Council's position on these matters as follows:

"Our foreign economic policy is seen to embrace the responsibility for promoting and safeguarding the interests of American foreign traders—this responsibility lies in the area of assuring the safety and security of American investments abroad, and of providing conditions which will make possible receipt of an adequate volume of useful goods and services in return for our exports of goods and capital."

John Carter Vincent, Office of Far Eastern Affairs, Department of State, said:

"It is unsound to invest public or private capital in countries where there is widespread corruption in business and official circles, where excessive armament expenditures are being made, where there is threat of civil

war, where Government monopoly excludes American business or where undemocratic concepts of government are controlling. The United States cannot have a double standard of international business; private and official business are the same."

Assistant Secretary Spruille Braden was quoted as advising that "loans should not be made if they enable another government to acquire or displace existing free enterprise, whether they be American in ownership or not."

Secretary of Commerce Harriman urged that the tariff bargaining power of the United States should be used as promptly as possible so as to prevent the re-establishment of prohibitive and discriminatory impediments to trade in every country. "The United States must direct its policies at expansion of world commerce as a whole rather than trying to get a larger share of prewar volume in order to help, for example, Great Britain, which has to export 75 percent more than before the war" (to maintain a favorable trade balance, earn interest on her loan and enable her people to enjoy normal living).

It was pointed out that Great Britain even now was busily opening up European trade while we were waiting to see what progress might be made with the Peace Treaties.

Considerable emphasis was laid upon forthcoming International Trade Agreements. It was generally admitted by most of the speakers that U. S. industry must anticipate lower tariffs. It also was assumed by industrialists as well as government officials that since the United States is now part of the United Nations, we are committed irrevocably to it and to the policies laid down by the Social and Security Council under which will operate the projected International Trade Organization. To this will be related the activities of the Food and Agriculture Organization, whose program will be authorized at a meeting in Europe next spring.

Reports from London which reached government officials attending the Convention indicated that American delegates now attending the International Trade Organization meeting there are not making much headway with the development of the proposed set-up of machinery for the ITO. This is said to be due to the fact that the tentative charter of ITO has been drafted by American government officials to implement reconversion of international trade to private channels. These American proposals are not meeting with the approval of the gov-

ernments whose managed-economies impel them to retain international controls of various kinds. Foreign delegates who claim that their peoples have inadequate food and equipment insist that they must employ government controls to maintain even a semblance of equitable allocation and distribution.

During the proceedings of the Forum on "Current Trade and Merchandising Problems," government officials assured numerous questioners that existing shortages of merchandise in the U. S. were not due to exports; the percentage of shipments for foreign account was too small.

Regarding the necessity for amendment of the Customs Division of the Tariff Act of 1930, it was pointed out that there were 58,000 of unliquidated customs entries now extant. The machinery for disposing of them is antiquated.

Stare and Campbell Speak at Indiana Canners Meet

As long as canners continue to pack top quality products, they need not fear any sudden dropping off of consumer demand for canned foods, Fred A. Stare, President of the National Canners Association, and an official of Stokely Foods, Inc., declared at the opening session of the annual fall meeting of the Indiana Canners Association in the Claypool Hotel at Indianapolis, Ind., Thursday, November 21. "Top quality canned foods always will be in demand," the canning official emphasized. "Indiana canners and canners throughout the Nation are doing a magnificent job in meeting this increased demand by supplying consumers with the kind of canned foods they want." (Secretary Carlos E. Campbell also addressed the Indiana Canners Association on the same day. A summary of his remarks appear on this page.)

Mr. Stare said the canning industry for many years has placed the highest consideration on the purity and the fine quality of its products. "The consuming public knows that canned foods, aside from their captivating taste appeal, are clean and fresh when canned and that they are packed under the most sanitary conditions.

"The canning industry has made great strides in recent years by improving the quality of its products not only nutritionally but also in flavor and in appearance," Mr. Stare said. "Canned foods today look good, taste good, and are good!" he exclaimed.

The N. C. A. official pointed out that the canners association, schools, clubs, commercial firms, dietitians, doctors, and the Government all have done much to educate the public on the nutritional values of canned foods. Canners, on the other hand, he said, also have encouraged increased consumer acceptance of canned and glass-packed foods by providing more descriptive information on their labels so that the consumer can be fully informed regarding the contents of the container before the can or jar is opened.

Commenting briefly on some of the reconversion problems facing canners, Mr. Stare warned the Indiana canners that "canners are now on their own"—the days of stringent government wartime regulations, large government purchases, and food subsidies are gone. With the elimination of government controls, canners have the first opportunity of entering a competitive market since 1940, he said.

"Canning in Indiana holds a great future for all of you," Mr. Stare stated, "When I look back to the early 1900's when I operated a small canning plant at Frankfort, and compare those times with your vast industry today, it's not hard for me to visualize the progress the canning industry has made in Indiana, and I know with this splendid record of achievement to inspire you, canning in Indiana will continue to prosper, and to grow, and to hold its place as a leading Indiana industry.

"Many people don't know," Mr. Stare said, "that there are 162 canning plants in Indiana which pack nearly 100 different kinds of canned and glass-packed foods which are sold throughout the United States, and often even find markets in distant parts of the world. Moreover, Indiana canning plants provide employment for thousands of people, especially during the height of the canning season. The canners of this State pay Indiana farmers millions of dollars each year for the raw agricultural products used in canning, thereby providing a source of income to these farmers that they wouldn't have had had it not been for the development of the canning industry in this State."

Strong Canned Food Demand

Canned foods, along with many other products have, for the past five years, enjoyed a period of strong demand, Carlos E. Campbell, Secretary of the National Canners Association, informed members of the Indiana Canners Association at their annual fall meeting. To meet this stepped-up demand, the canning industry has in-

creased its packing facilities from 50 to 60 percent during the war and the packs of most canned foods have risen correspondingly, Mr. Campbell said.

One of the principal reasons for the growing demand for canned foods, Mr. Campbell stated, is the increased consumer consciousness with respect to the high nutritional values of canned foods. He said the average consumer today is a more intelligent and satisfied buyer of canned foods due to the various consumer education programs which have been undertaken by the National Canners Association with the assistance of schools, institutions, clubs, and other organizations.

Mr. Campbell praised the Indiana canners for their contributions to the growth of the canning industry. The speaker pointed out that many of the old and well-established canners either started in Indiana or have canning plants there. He said that the canning industry in Indiana to a large measure has been responsible for the agricultural and business progress of the State.

Stare Discusses Pennsylvania's Importance in Canning

Pennsylvania's canned foods are known throughout the length and breadth of these United States, and even in many of the distant parts of the universe, Fred A. Stare, President of the National Canners Association and an official of Stokely Foods, Inc., told members of the Pennsylvania Canners Association holding their 32nd Annual Convention in the Yorktown Hotel at York, Pa., November 21-22. "Pennsylvania is, and for many years has been, one of the Nation's leading canning States, a State which last year produced over \$75,000,000 worth of canned and glass-packed food," Mr. Stare declared.

"Pennsylvania ranks fourth in the Nation in value of its canned food production. This great keystone State produces 85 percent of the country's output of canned mushrooms and is, I believe, one of the largest, if not the largest, producers of canned apples and apple products in the country," Mr. Stare emphasized.

He said there are few States whose canned food products are as diversified or whose canning plants contribute as much to the wealth and income of its citizens. Pennsylvania has over 110 canning plants which pack more than 116 different canned and glass-packed foods, and provide employment for 17,000 persons.

"The farmers of this State alone derive from \$25,000,000 to \$30,000,000 annually for the raw agricultural products which go into the canned foods produced in Pennsylvania and this does not include the hundreds of thousands of dollars which are paid farmers elsewhere for dry beans, meat, seasonings and sugar which are shipped in for use in Pennsylvania packed canned foods," he said.

Aside from making other major contributions to the State's economy, Mr. Stare pointed out that Pennsylvania canners last year paid out more than \$6,000,000 for labels, coal, tin and glass containers, transportation, and supplies and services used in canned food production.

"The strong demand for canned foods throughout the Nation is evidenced by the fact that for the five years immediately preceding the war the average pack of canned fruits and vegetables was only about 285,000,000 cases, while reliable statistics indicate that the 1946 pack of canned fruits and vegetables will exceed 500,000,000 cases, and judging from the rapidity with which most canned foods are moving into consumer channels, the carryovers from this year's production will not be very large," the N. C. A. official declared.

"Consumers today are beginning to realize the vast amount of research that has gone into the development of better quality canned foods and that the raw agricultural products used in food canning are fresh and pure before they are packed, and that each can of canned foods is packed under the most sanitary conditions," Mr. Stare said.

Forthcoming Meetings

November 26—National Kraut Packers Association, Hotel Cleveland, Cleveland, Ohio.

December 2-3—Illinois Canners Association, Fall Meeting, Bismarck Hotel, Chicago, Ill.

December 2-14—National Canners Association Special Training Course in Plant Sanitation, 500 Sansome St., San Francisco, Calif.

December 4-5—Tri-State Packers Association, Annual Fall Convention, Benjamin Franklin Hotel, Philadelphia, Pa.

December 4-6—Georgia Canners Association, Annual Convention, Hotel De Soto, Savannah, Ga.

December 6-7—Iowa-Nebraska Canners Association, Hotel Fort Des Moines, Des Moines, Iowa.

December 9—Maine Canners Association, Annual Convention, Eastland Hotel, Portland, Me.

December 10-11—Ohio Canners Association, Annual Convention, Deshler-Wallick Hotel, Columbus.

December 11—Minnesota Canners Association, Annual Convention, Radisson Hotel, Minneapolis, Minn.

December 12-13—Association of New York State Canners, Inc., 61st Annual Convention, Hotel Statler, Buffalo, N. Y.

January 8-10, 1947—Northwest Canners Association, Annual Convention, The Olympic Hotel, Seattle, Wash.

January 9-10, 1947—Michigan State College, Canners' and Fieldmen's Conferences, East Lansing, Mich.

January 12-17, 1947—National Food Brokers Association, 42nd Annual Convention, Atlantic City, N. J.

January 19-24, 1947—National Canners Association, 40th Annual Convention, Atlantic City, N. J.

January 20-24, 1947—Canning Machinery & Supplies Association, Annual Exhibit and Meeting, Atlantic City, N. J.

January 20-23, 1947—National American Wholesale Grocers Association, Annual Convention, Atlantic City, N. J.

January 29-31, 1947—Purdue Agricultural Experiment Station, 21st Indiana Canners' and Fieldmen's School, Lafayette, Ind.

February 6-7, 1947—Ozark Canners Association, 39th Annual Convention, Colonial Hotel, Springfield, Mo.

February 7-8, 1947—National Pickle Packers Association, Annual Meeting, Bismarck Hotel, Chicago, Ill.

February 10-11, 1947—Tennessee-Kentucky Canners Association, Annual Meeting, Andrew Jackson Hotel, Nashville, Tenn.

February 11-13, 1947—University of Maryland—Tri-State Packers Association, Canners' and Fieldmen's School, College Park, Md.

February 18-20, 1947—Michigan State College, Technical School for Pickle and Kraut Packers, East Lansing, Mich.

March 7, 1947—Canners League of California, Fairmont Hotel, San Francisco, Calif.

March 16-22, 1947—National Association of Frozen Food Packers, Annual Convention, San Francisco, Calif.

March 31-April 4, 1947—Frozen Food Institute, Inc., Sixth Annual Convention, Copley-Plaza Hotel, Boston, Mass.

April 10-11, 1947—Tri-State Packers Association, Spring Convention, Lord Baltimore Hotel, Baltimore, Md.

Frozen and Cured Fish Stocks in Cold Storage Are Reported

Holdings of frozen and cured fish in cold storage on November 1, 1946, were 176,850,000 pounds as compared with 177,263,000 pounds on October 1, 1946, and 160,206,000 pounds on November 1, 1945, according to the U. S. Department of Agriculture.

The following table lists, by varieties, the quantities of frozen and cured fish held in cold storage during the respective periods:

| SPECIES | Nov. 1, 1945 | Oct. 1, 1946 | Nov. 1, 1946 |
|---|--------------|--------------|--------------|
| Salt-water fish: | 1,000 lbs. | 1,000 lbs. | 1,000 lbs. |
| Bait and animal food. | 1,945 | 1,755 | 1,861 |
| Bluefish. | 150 | 171 | 181 |
| Butterfish. | 564 | 426 | 550 |
| Cod, haddock, hake, pollock, whole. | 2,859 | 1,291 | 1,374 |
| Croakers. | 502 | 747 | 642 |
| Eels. | 266 | 139 | 234 |
| Filets (miscellaneous) | 19,893 | 31,022 | 32,612 |
| Flounders (including filets). | 3,289 | 2,999 | 2,761 |
| Halibut. | 14,309 | 23,378 | 19,179 |
| Herring, sea. | 744 | 2,098 | 1,918 |
| Mackerel (Boston, including filets). | 8,322 | 3,388 | 3,602 |
| Mullet. | 842 | 971 | 1,239 |
| Sablefish (black cod). | 4,422 | 6,791 | 7,058 |
| Salmon (all species). | 18,483 | 19,495 | 21,217 |
| Seap (porgies). | 1,401 | 909 | 828 |
| Sea trout (weakfish, gray and spotted). | 981 | 731 | 930 |
| Shad and shad roe. | 747 | 672 | 523 |
| Smelts (sea). | 1,755 | 1,265 | 1,178 |
| Swordfish. | 2,317 | 1,092 | 1,145 |
| Whiting (including filets). | 16,745 | 12,065 | 10,561 |
| Miscellaneous salt-water fish. | 11,900 | 13,116 | 13,258 |
| Fresh-water fish: | | | |
| Bait and animal food. | 308 | 395 | 332 |
| Blue pike & sauger (including filets). | 143 | 96 | 199 |
| Catfish and bullheads. | 254 | 174 | 187 |
| Chubs. | 1,027 | 495 | 398 |
| Lake herring & cisco (including filets). | 2,055 | 2,639 | 2,321 |
| Lake trout. | 618 | 506 | 568 |
| Pickrel, jacks or yellow jacks. | 112 | 58 | 115 |
| Sturgeon and spoon-bill cat. | 160 | 433 | 459 |
| Suckers. | 11 | 32 | 39 |
| Tullibee. | 171 | 308 | 237 |
| Yellow perch (including filets). | 89 | 320 | 426 |
| Yellow pike (or wall-eye) (including filets). | 232 | 122 | 194 |
| Whitefish. | 1,256 | 1,668 | 1,762 |
| Miscellaneous fresh-water fish. | 980 | 1,526 | 1,536 |
| Shellfish: | | | |
| Lobster tails (spiny lobster). | 198 | 408 | 541 |
| Scallops. | 1,525 | 1,904 | 1,885 |
| Shrimp. | 13,332 | 7,467 | 11,255 |
| Squid. | 2,005 | 1,415 | 1,089 |
| Miscellaneous shellfish. | 1,442 | 2,518 | 2,851 |
| Frozen fish, total. | 138,434 | 147,085 | 149,235 |
| Cured fish, total. | 31,772 | 30,178 | 27,615 |
| Total, all fish. | 160,206 | 177,263 | 176,850 |

Metal Can Shipments

September shipments of metal cans amounted to 318 thousand short tons, an 8 percent decrease from the peak of 347 thousand short tons attained in August, according to a report released this week by the Bureau of the Census. However, since there were fewer working days in September, this may not indicate a decrease in the rate of operations during the month. Shipments of metal cans during September were 16 percent higher than the 274 thousand tons shipped during the same month of 1945, the report stated.

Metal cans designed for packing fruit and vegetable products accounted for close to 200 thousand tons, or 63 percent of the total shipments for September. This was 5 percent less than the 211 thousand tons of fruit and vegetable cans shipped in August. Shipments of food product cans in September accounted for 282 thousand tons.

Canned Orange Juice Grades

The U. S. Department of Agriculture has announced that the fourth issue of United States standards for grades of canned orange juice became effective November 15. Copies of the new standards may be obtained from F. L. Southerland, chief, Processed Products Standardization and Inspection Division, Fruit and Vegetable Branch, U. S. Department of Agriculture, Washington 25, D. C.

California Sardine Pack

Deliveries of California sardines to processing plants during the week ended November 14 totaled 991 tons. Pack of sardines during the week was 12,497 cases. The following table, prepared from figures supplied by the California Sardine Products Institute, shows the sardine deliveries by districts and the pack by can sizes for the current season as compared with 1945:

| Area | Season to Nov. 14, 1946 | Season to Nov. 17, 1945 |
|--------------------|-------------------------|-------------------------|
| Tons | Tons | |
| Northern district. | 503 | 82,288 |
| Central district. | 23,691 | 131,163 |
| Southern district. | 99,853 | 77,974 |
| Total. | 124,047 | 291,425 |
| Can sizes | Cases | Cases |
| 1-lb. ovals. | 284,095 | 848,104 |
| 1-lb. tails. | 993,625 | 1,536,816 |
| 1/2-lb. fillet. | 7,709 | |
| 5 oz. 96's. | 21,432 | 31,502 |
| 5 oz. 100's. | | |
| Miscellaneous. | 26,030 | 89,933 |
| Total. | 1,333,491 | 2,506,355 |

Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in cold storage on November 1, 1946, totaled 511,173,000 pounds as compared with 501,914,000 pounds on October 1, 1946, and 381,267,000 pounds on November 1, 1945, according to the U. S. Department of Agriculture.

Frozen vegetable stocks on November 1, 1946, amounted to 349,761,000 pounds as compared with 317,691,000 pounds on October 1, 1946, and 204,093,000 pounds on November 1, 1945.

The following table furnishes details by commodities:

| | Nov. 1, 1945 | Oct. 1, 1946 | Nov. 1, 1946 |
|------------------------------------|--------------|--------------|--------------|
| FROZEN FRUITS | 1,000 lbs. | 1,000 lbs. | 1,000 lbs. |
| Apples..... | 27,066 | 29,817 | 35,293 |
| Blackberries..... | 19,742 | 26,565 | 24,480 |
| Cherries..... | 27,254 | 82,514 | 77,480 |
| Young, Logan, Boyesen, etc..... | 11,942 | 16,552 | 16,079 |
| Raspberries..... | 15,609 | 28,447 | 27,160 |
| Strawberries..... | 27,891 | 59,287 | 54,066 |
| Grapes..... | 18,005 | 12,067 | 18,234 |
| Plums and prunes..... | 17,772 | 24,588 | 24,952 |
| Peaches..... | 72,600 | 64,226 | 67,446 |
| Fruit juices and purees..... | 24,116 | 24,888 | 31,990 |
| Apricots..... | 34,408 | 38,857 | 38,167 |
| Blueberries..... | 17,625 | 15,644 | 15,765 |
| All other fruits..... | 67,237 | 78,652 | 80,061 |
| Total..... | 381,267 | 501,914 | 511,173 |
| FROZEN VEGETABLES | | | |
| Asparagus..... | 10,985 | 21,849 | 20,150 |
| Beans, lima..... | 16,440 | 22,251 | 31,711 |
| Beans, snap..... | 20,581 | 30,843 | 30,950 |
| Broccoli..... | 3,228 | 12,723 | 13,850 |
| Cauliflower..... | 3,225 | 4,292 | 6,378 |
| Corn, sweet..... | 24,479 | 32,214 | 40,986 |
| Peas, green..... | 74,966 | 132,984 | 125,528 |
| Spinach..... | 12,414 | 19,748 | 23,793 |
| Brussels sprouts..... | 1,033 | 2,414 | 3,517 |
| Pumpkin and squash..... | 6,509 | 4,721 | 8,364 |
| Baked beans..... | 1,431 | 816 | 786 |
| Vegetable purees..... | 455 | 351 | 145 |
| All other vegetables..... | 28,347 | 32,485 | 43,003 |
| Total..... | 304,093 | 317,691 | 349,761 |

Pacific Fisheries Officers

At the 33rd Annual Convention of the Association of Pacific Fisheries in the Olympic Hotel, Seattle, Wash., on November 19, all officers of the Association were reelected for another term. Officers of the Association of Pacific Fisheries are:

President—A. W. Wittig, Port Ashton Packing Corp., Seattle; first vice president—Guy V. Graham, Libby, McNeill & Libby, Seattle; second vice president—J. A. Green, Pacific American Fisheries, South Bellingham, Wash.; third vice president—G. B. Peterson, Red Salmon Canning Co., Seattle; fourth vice president—E. W. Thompson, Columbia River Packers Association, Astoria, Ore.; and secretary and treasurer—E. D. Clark, Seattle.

"OUR PROSPECTS FOR MORE SUGAR"—FROM A SPEECH

BY JAMES H. MARSHALL, DIRECTOR, USDA SUGAR BRANCH

EDITOR'S NOTE: The following, which is excerpted from a speech Mr. Marshall gave on November 21 before the Convention of the American Bottlers of Carbonated Beverages at Miami, Fla., is reprinted for the benefit of the canning industry since it gives so many pertinent facts concerning sugar supplies and the Government's reasons for continuing sugar controls.

For the years 1935-39, total world sugar production averaged about 34½ million short tons. And as I speak of sugar years I refer to the crop-year period July 1 to June 30 of the following year. For the year which ended this past June 30, the 1945-46 year, the sugar production of the world instead of being some 34½ million tons was just a little over 27 million, a drop of 7,300,000 tons. If we overlook the matter of increasing populations, that drop of 7,300,000 tons in production gives the master sugar shortage figure. The big losses were found in Europe, where the prewar beet crop yielded well over 10 million tons and where the 1945-46 yield was about 5,600,000 tons. Other great losses occurred in Asia, particularly in Java with a loss of around one and one-fourth million tons, the Philippines with a loss of around 1,100,000 tons, and other Asiatic countries where losses totaling about one million tons occurred.

As far as we can determine at present, the outlook for the year which began last July 1 is better. European beets are making a healthy recovery and should yield between seven and a half and eight million tons, or some 30 percent to 40 percent more than last year. Relatively little improvement is indicated in Asiatic areas. The Philippines suffered great devastation during the war. They were obliged to start from scratch in their economic and agricultural recovery. This involved not only production on plantations but factories, transportation, labor and fertilization, and all the things incident to cane growing. Java has been wrecked by political disturbances in addition to some war devastation. If these disturbances can be settled, recovery there can be and should be faster than is true with the Philippines.

North American Supplies

North America also shows substantial improvement for the 1946-47 year as compared with the year just ended. It looks as though 1946-47 should show an increase of something over a million tons above 1945-46. Right here I want to make it plain that we are hoping that the Cuban crop will run 5½ million tons, or better, as is now indicated by many forecasts. However, merely for statistical planning, I am presently using a 5-million-ton Cuban

figure—which I hope will be quickly revised upward. It is also good to see that progress is being made in the U. S.-continental beet area with an indicated increase this year of about 300,000 tons as compared with last year.

Now a little parenthetical observation. Certainly the figures I have cited indicate recovery. But during these years the population of the United States has increased from roughly 130 million to 142 million. It is also true that incomes and consumer demand are higher than in prewar years. World sugar recovery thus far is not going to solve all of our problems—but at any rate we are on the way. What's more, we are continuing our efforts to encourage sugar production in the continental United States, its territories and insular possessions, and also—through the Cuban sugar contract—to encourage production in that area.

I think it now becomes pertinent to explore what can be done about the forthcoming year. First, in view of various crop situations, maturity dates, and other things of that sort, it now appears that supplies will not be available to permit any increase in rations prior to April 1, 1947. It is not realistic to count on an earlier increase in rations even though the Cuban grind may start somewhat earlier this year than it usually begins. After all, our stocks are low, accumulated ration evidence is high, and a number of factors can enter which would cause delays. This is why I stick by the April 1 date.

Just what does it require to increase rations? As background, you will be interested to know that 2,175,000 tons are needed from the Cuban crop and a balance of three and a half million tons from domestic crops for current rationing levels. To maintain this same ration in 1947, would require 2,100,000 tons from Cuba. This is true despite the fact that we have an increase in our continental beet sugar production. There has, however, been the necessity of using some of the beet sugar in deficit areas ahead of its normal consumption time and yields have been somewhat smaller than anticipated in Hawaii, Puerto Rico, and Louisiana.

For example, to increase industrial sugar rations by 10 percent of the base, that is from present 60 percent to 70 percent, and to furnish an additional 5-pound consumer stamp along with comparable increases for institutional and other use, would require between 700,000 and 750,000 tons of sugar. This makes it very plain that a large amount of sugar is required for a modest increase in rations. As

is also obvious from these remarks, the only practical source of this increase is the Cuban crop.

Let us take a little closer look at Cuban production both from 1946 and 1947. In 1946, it totaled 4,476,000 tons. Making allowances for changes in stock position and the contract terms regarding Cuban local consumption and free export to other Latin American nations, the exportable balance becomes 3,800,000 tons. As I said previously, the United States received from this, or will receive, about 2,175,000 tons. This leaves a balance of 1,625,000 which has been or is being sent to Canada, the United Kingdom, and other foreign countries. Of this amount, 148,000 tons was UNRRA sugar. About one-fourth of the 1,625,000 tons sent to foreign nations has been refined in the United States. This is the sugar that some people have erroneously assumed was exported by the United States. So much for the 1946 story.

Where does that leave us for 1947? Again I am forced to ask for your careful attention to some figures, which I will try to keep as simple as possible. They deal largely with the Cuban crop. As I said before, to maintain United States rations in 1947 at the 1946 level, 2,100,000 tons of Cuban sugar will be required. Cuban local requirements and free export provisions under the terms of the contract amount to 740,000 tons. In view of European improvements, the amount of Cuban sugar required to maintain 1946 ration levels there in 1947 will be about 1,135,000 tons. These three figures total 3,975,000 tons. Deducting this from the 5,000,000 tons total estimated for Cuba's 1947 production, leaves 1,025,000 tons. As I also stated a few moments ago, an increase in United States sugar rations of one 5-pound consumer stamp, and 10 percent in base period usage, to begin April 1, 1947, would require between 700,000 and 750,000 tons of sugar.

In view of the probable additional 1,025,000 tons available from Cuba's production to meet world demands, I think this increase in rationing may be made.

Should Retain Sugar Controls

I should be less than fair to this group and to the Department if I failed to say something about continuing rationing and price control on sugar. My contacts with men in your industry and in many other industries which use or produce sugar convince me that for the present, decontrol and abandonment of rationing would not be in the best interests of industry or of the ultimate consumer. I say these things because sugar is still in very short supply and you men know quite well that decontrol could result in a substantial increase in

prices. I will say nothing as to the possible confusion which could result from the scramble to obtain sugar if rationing were immediately abandoned.

I think I can say that a more or less moderate price increase—with the abandonment of price ceilings—would not make any more sugar available for you. Only if prices advance very greatly would substantial additional amounts of sugar come into this country. Then they would come from countries which are themselves short on sugar but which, for enough dollars, will tighten their belts still further and ship to the United States. And I suggest that any such course is highly undesirable.

Cuban Contract

I also wish to remind you that if sugar is decontrolled, the entire Cuban sugar contract, insofar as price of sugar is concerned, must be re-determined.

In view of these various facts I think your industry and all sugar-using industries will find it self-beneficial to be moderate with respect to removal of price ceilings and rationing on sugar. Decontrol and freedom from rationing at the present time and for some months to come can bring you a lot of additional headaches which will not be justified by any probable advantages.

It is often overlooked that in the true sense, the United States does not export sugar. We are a net importing nation on sugar—and have been one for many, many years. There is, however, much confusing talk about the sugar exports of the United States. As you know, this nation has purchase contracts covering the 1946 and 1947 Cuban sugar crops. This has been true of each Cuban crop since and including the crop of 1942.

In acting essentially as the sole purchaser of Cuban sugar, the United States has had to share some of the supply with other allied nations. This procedure has eliminated speculative bidding by the nations of the world and has also given Cuba an assured price without the inflationary and deflationary headaches which she suffered in 1919 and 1920. The first page of the 1946-47 Cuban sugar contract recognizes that one of the prime reasons for such a contract is that, although hostilities have terminated, the effects of the war make it necessary during the reconversion period, because of the needs of the United States and other allied nations to undertake the supplying of sugar and other products through governmental agencies or organizations of an international character."

Thus, there is an obligation on the part of the United States—acting as sole purchaser of nearly all of Cuba's sugar—to share a substantial part of this sugar, through sale to other na-

tions. It is also an historical fact that many nations in addition to the United States purchased Cuban sugar in pre-war years. It is reasonable to assume that Cuba is as anxious as any other nation to maintain her postwar trade with other countries of the world.

Wage Controls Lifted

President Harry S. Truman has issued the following Executive Order abrogating all controls on salaries and wages:

By virtue of the authority vested in me by the Constitution and statutes of the United States, and particularly by the Stabilization Act of 1942, as amended, and for the purpose of further affecting an orderly transition from war to a peacetime economy, it is hereby ordered as follows:

All controls heretofore in effect stabilizing wages and salaries pur-

suant to the provisions of the Stabilization Act of 1942, as amended, including any Executive Order or regulation issued thereunder, are hereby terminated; except that as to offenses committed, or rights or liabilities incurred, prior to the date hereof, the provisions to such Executive Orders and regulations shall be treated as still remaining in force for the purpose of sustaining any proper suit, action or prosecution with respect to any such right, liability or offense.

Calpack Promotes Stanbridge

The California Packing Corporation, San Francisco, Calif., has announced the appointment of Donald H. Stanbridge as manager of its inspection and service department. Mr. Stanbridge succeeds Henry Dodd who was recently retired.

Sweet Corn Pack for 1946

The total pack of canned sweet corn for 1946 amounted to 32,526,374 actual cases, according to the Association's Division of Statistics. This is the second high pack of record, being only slightly smaller than the record 1942 pack of 33,147,054 cases, and compares with the 1945 pack of 29,538,553 cases. On the basis of equivalent cases of 24 No. 2 cans, the 1946 pack totaled 30,951,000 cases compared with 28,236,900 cases for 1945.

The following report is a summary of the pack of canned sweet corn made by all firms known to have been packing in 1946.

The pack by States for 1946 com-

pared with that for 1945, together with details of the pack by varieties and style of pack are shown in the tables below:

CORN PACK IN ACTUAL CASES

| State | 1945 Cases | 1946 Cases |
|----------------------------|---------------|---------------|
| Maine and Vermont..... | 905,643 | 1,244,011 |
| New York..... | 1,351,160 | 1,542,438 |
| Maryland and Delaware..... | 2,630,312 | 2,680,249 |
| Pennsylvania..... | 626,980 | 675,507 |
| Ohio..... | 1,124,937 | 1,307,656 |
| Indiana..... | 2,083,702 | 1,753,252 |
| Illinois..... | 4,417,384 | 5,124,755 |
| Wisconsin..... | 5,962,722 | 6,664,825 |
| Minnesota..... | 4,962,876 | 6,208,703 |
| Iowa and Nebraska..... | 3,356,801 | 3,806,398 |
| Other States—East..... | 199,850 | 171,568 |
| Other States—West..... | 1,907,177 | 2,348,012 |
| Total United States.. | 29,538,553 | 32,526,374 |

1946 CORN PACK

| Variety and style of pack | 24/2 Cases | 48/1 P Cases | 28/12 Z Vac. Cases | 6/10 Cases | Misc. Tin & Glass Cases | Total Cases |
|------------------------------|---------------|-----------------|--------------------------|---------------|-------------------------------|----------------|
| CREAM STYLE | | | | | | |
| Evergreen: | | | | | | |
| East..... | 511,394 | ..... | ..... | 58,600 | ..... | 569,994 |
| West..... | 616,853 | ..... | ..... | 24,092 | ..... | 640,945 |
| Narrow Grain: | | | | | | |
| East..... | 421,793 | ..... | ..... | 2,951 | ..... | 424,744 |
| West..... | 704,671 | ..... | ..... | 13,419 | ..... | 718,090 |
| Country Gentlemen: | | | | | | |
| East..... | 124,305 | ..... | ..... | 882 | ..... | 125,177 |
| West..... | 1,656,078 | ..... | ..... | 13,677 | ..... | 1,669,755 |
| Crosby & Other White: | | | | | | |
| East..... | 27,325 | ..... | ..... | ..... | ..... | 27,325 |
| West..... | 509,715 | ..... | ..... | 22,791 | 494 | 533,000 |
| Bantam, Golden: | | | | | | |
| East..... | 3,989,447 | ..... | ..... | 153,614 | 710 | 4,143,771 |
| West..... | 7,781,915 | ..... | ..... | 128,931 | ..... | 7,910,846 |
| WHOLE GRAIN | | | | | | |
| Bantam, Golden: | | | | | | |
| East..... | 1,105,831 | ..... | 493,740 | 60,369 | 45,812 | 1,714,752 |
| West..... | 6,430,693 | ..... | 6,225,564 | 411,524 | 5,844 | 13,063,627 |
| All White: | | | | | | |
| East..... | 507,056 | ..... | ..... | 7,431 | 10,079 | 524,566 |
| West..... | 440,282 | ..... | 142 | 19,258 | ..... | 459,682 |
| Total..... | 24,817,450 | ..... | 6,719,446 | 926,539 | 62,939 | 32,526,374 |

N. C. A. Western Laboratories Plan Plant Sanitation Course

A special training course in plant sanitation will be given by the National Canners Association in San Francisco during the two-week period from December 2 to December 14, inclusive. This course is being given for the purpose of providing training for men who will conduct and direct plant sanitation programs for individual companies.

The material that will be presented has been greatly concentrated so as to keep these men from their plants for only a brief two-week period. It will afford an unusual opportunity for canners to prepare to meet the higher standards of sanitation which are already effective. This two-weeks training course is patterned after the eight-weeks course which was given by the University of California for food plant sanitarians last year.

The course will be presented in a much more concentrated form consisting of those parts of the special course last year which were of most importance in the maintenance of plants and operations in accordance with the modern trends in sanitation. It will include specific training in plant sanitation based upon the experiences of our own sanitarians in conducting plant surveys. The course has been arranged as nearly as possible to fit into the slack season for the majority of canners.

The plant sanitation program has been widely accepted by the industry for its aspects are far reaching and its concepts are continually expanding. This is a program in which the National Canners Association can provide leadership, guidance, and consultation. Occasional inspections of plants are inadequate to promote and maintain sanitation standards at a high level. Each firm should be equipped to carry on a program to meet its own specific needs.

The Association's Western Research Laboratories have sent applications to all interested member-firms.

Proposed Trade Agreements to Include Reciprocal Phases

Attention of all N. C. A. members is drawn to the fact that the projected international trade agreements for which the U. S. Department of State is preparing to conduct negotiations, comprehend reciprocal trade concessions, the Association has been informed. This means that the U. S. will ask a reduction in trade barriers

(tariffs, etc.) of other nations, in return for which it will expect to make concessions concerning the admission of products for which those countries desire easier admission into the United States.

The date by which briefs and/or applications for hearings concerning import duties must be submitted to the Committee on Reciprocity Information is December 21, 1946. The date up to which the CRI will accept briefs and/or applications for hearings concerning American exports for which U. S. producers desire easier admission into other countries is January 13, 1947.

Simplified Pallet Practices

A simplified practice recommendation for shipping pallets for groceries and packaged merchandise, submitted to interested parties by the National Bureau of Standards, Department of Commerce, seeks to effect economies in mass-distribution comparable to those in mass-production.

This program was proposed by a committee representing grocers, materials handling specialists, railroad and trucking interests, the Bureau said. Copies of the recommendation have been sent to manufacturers, distributors, users and others for their consideration, comment and approval.

It is intended to provide for unit loads as large as feasible in warehouse handling and in shipping goods

intact on pallets from the processor's plant to the distributor's order-assembly line. Thus the program is designed to eliminate the avoidable waste inherent in piece-meal and re-handling of individual packages.

Adoption of the proposed recommendation would result in greatly reducing the present variety of pallet sizes in warehouse use. Furthermore, it is believed that the selected sizes are not only adapted to freight car and truck dimensions, but also to warehouse requirements, and are especially suitable for the sizes of containers which carry a major proportion of food tonnage.

B-U-L-L-E-T-I-N

As the LETTER went to press, there was a strong possibility that the Government would place in effect momentarily stringent embargo restrictions on rail freight shipments because of the coal walkout. The National Canners Association again has reminded the Association of American Railroads that the food industries must be given top consideration and that all possible steps should be taken to prevent the disruption of food shipments as well as the materials necessary in canning food commodities. Canners will recall that the coal strike last spring necessitated a rail embargo, although the embargo at that time permitted the shipment of food, containers for food, and materials necessary for the manufacture of containers. (See INFORMATION LETTER for May 11, 1946, page 204.)

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